

Exhibit 12

IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF MISSISSIPPI

IN RE: MARITIME COMMUNICATIONS  
/LAND MOBILE, LLC  
Debtor

CHAPTER 11  
CASE NO. 11-13463-DWH


**FORM B 26 - PERIODIC REPORT REGARDING VALUE, OPERATIONS AND  
~~PROFITABILITY OF ENTITIES IN WHICH THE DEBTOR~~  
HOLDS A SUBSTANTIAL OR CONTROLLING INTEREST**

As required by Bankruptcy Rule 2015.3, this report contains information on the value, operations and profitability of Critical RF, Inc., the entity in which the Debtor held a 90% interest on July 31, 2011.

The report for the above entity consists of three exhibits, all as of the above date: Exhibit A contains a valuation estimate and a description of the method used to determine the valuation of the entity; Exhibit B contains a financial statement, a balance sheet, a statement of income or loss, a statement of cash flows, and a statement of changes in the shareholders' or partners' equity or deficit in the entity, if available; and Exhibit C contains a description of the business operations of the entity.

The undersigned, having reviewed this report and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that the information contained herein is complete, accurate and truthful to the best of her knowledge.

11/15/11  
Date

  
Sandra M. DePriest, President

**Exhibit A**  
**Valuation Estimate for Critical RF, Inc.**

**[Provide a statement of the entity's value and the value of the estate's interest in the entity, including a description of the basis for the valuation, the date of the valuation and the valuation method used. This valuation must be no more than two years old. Indicate the source of this information.]**

The entity's value is approximately \$50,000.00. The value of the Debtor's 90% interest in the entity, according to the Debtor's Schedule B, is \$45,000.00.

**Exhibit B**  
**Financial Statement for Critical RF, Inc.**

See Attached Balance Sheet as of July 31, 2011.

**Exhibit B-1**  
**Balance Sheet for Critical RF, Inc.**  
**As of July 31, 2011**

**[Provide a balance sheet dated as of the end of the most recent six-month period of the current fiscal year and as of the end of the preceding fiscal year. Indicate the source of this information.]**

See Attached Balance Sheet as of July 31, 2011.

**Exhibit B-2**  
**Statement of Income (Loss) for Critical RF, Inc.**  
**Period Ending July 31, 2011**

**[Provide a statement of income (loss) for the following periods:**

- (i) For the initial report:**
  - a. the period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and**
  - b. the prior fiscal year.**
- (ii) For subsequent reports, since the closing date of the last report.**

**Indicate the source of this information.]**

See Attached Income Statement as of July 31, 2011.

**Exhibit B-3**  
**Statement of Cash Flows for Critical RF, Inc.**

**[Provide a statement of changes in cash flows for the following periods:**

- (i) For the initial report:**
  - a. the period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and**
  - b. the prior fiscal year.**
- (ii) For subsequent reports, since the closing date of the last report.**

**Indicate the source of this information.]**

This entity does not prepare cash flow statements. However, cash flow for the seven months ending July 31, 2011, was approximately <\$77,000.00>, contributed to in part by unusually high legal fees during this period.

**Exhibit B-4, Page 1**  
**Statement of Changes in Shareholders'/Partners' Equity (Deficit) for**  
**Critical RF, Inc.**  
**period ending July 31, 2011**

**[Provide a statement of changes in shareholders'/partners' equity (deficit) for the following periods:**

- (i) For the initial report:**
  - a. The period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and**
  - b. the prior fiscal year.**
- (ii) For subsequent reports, since the closing date of the last report.**

**Indicate the source of this information.]**

Critical RF, Inc. was created on May 7, 2003, in the State of Florida. Stephen J. Calabrese was the initial Director, Richard Calabrese was the Registered Agent, and Mark Schiff was the Incorporator.

No changes were reflected in the For Profit Corporation Annual Reports (the "Annual Report") for 2004 or 2005, filed respectively, on March 19, 2004, and April 28, 2005.

According to the 2006 Annual Report filed on July 13, 2006, Richard Calabrese was removed as Registered Agent. Stephen J. Calabrese was named as the new Registered Agent, was removed as Director and was named as President. Robert T. Smith and Sharon K. Watkins were added as Director and Secretary, respectively.

No changes were reflected in the 2007 Annual Report filed on January 26, 2007. On October 10, 2007, Articles of Amendment were filed. Article IV named Steve Calabrese (aka Stephen J. Calabrese), Don DePriest, John Reardon, and Tim Smith (aka Robert T. Smith) as Directors. Article V indicated that on March 10, 2006, the Board of Directors voted to enlarge the authorized & issued number of shares to 12,500, naming the following owners of those shares:

- Steve Calabrese - 2,000 Shares;
- MCLM, LLC - 8,000 Shares (sometime during 2006, the Debtor purchased a certain portion of Critical RF, Inc.);
- John Reardon - 1,250 Shares;
- Tim Smith - 625 Shares; and
- "Management Team Incentives" - 625 Shares.

**Exhibit B-4, Page 2**  
**Statement of Changes in Shareholders'/Partners' Equity (Deficit) for**  
**Critical RF, Inc.**  
**period ending July 31, 2011**

According to the 2008 Annual Report filed on October 29, 2008, Stephen Calabrese was removed as Registered Agent, and CSC of Wilmington, DE, was named as the new Registered Agent. No other changes were reflected on this Report.

According to the 2009 Annual Report filed on September 22, 2009, Stephen J. Calabrese was removed as President, but remained a Director. Addresses for Directors Robert T. Smith and Don DePriest and Secretary Sharon K. Watkins were changed. John Reardon was removed as a Director and named President. "Tim Smith" was removed as a Director, since he and Robert T. Smith are one and the same.

No changes were reflected in the Annual Reports for 2010 and 2011, filed respectively, on March 30, 2010, and January 10, 2011.



**Exhibit C**  
**Description of Operations for Critical RF, Inc.**

**[Describe the nature and extent of the estate's interest in the entity.**

**Describe the business conducted and intended to be conducted by the entity, focusing on the entity's dominant business segment(s). Indicate the source of this information.]**

The Debtor owns 90% of Critical RF, Inc., a corporation established on May 7, 2003. Critical RF, Inc. is a manufacturer of telecommunications equipment and software, with certain enabling hardware which provides the ability to interoperate, allowing users with radio devices on different frequencies to communicate with each other.

Critical RF Inc  
Balance Sheet  
July 31, 2011

# ASSETS

Current Assets		
SYB Checking Acct- Secondary	\$ 2.00	
SYB Checking Acct- Main	1,525.13	
Accounts Receivable	43,020.12	
Allowance for Doubtful Account	(6,324.50)	
Inventory	19,776.40	
Total Current Assets		57,999.15
Property and Equipment		
Computers/Software	9,357.29	
Software Development	58,144.32	
Intangible Asset- Patents	58,217.71	
Accum. Deprec - Comp/Software	(8,919.45)	
Accum. Deprec-Software Develop	(31,364.70)	
Total Property and Equipment		85,435.17
Other Assets		
Total Other Assets		0.00
Total Assets		\$ 143,434.32

# LIABILITIES AND CAPITAL

Current Liabilities	
Accounts Payable	\$ 142,337.50
Advance Account	144,530.97

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Unaudited - For Management Purposes Only

Due to MCLM- Insurance	34,534.43	
Sales Tax Payable	80.10	
Common Carrier tax payable	354.46	
Accrued Wages Payable	83,283.37	
Deferred Wages Payable	95,004.00	
State Payroll Taxes Payable	39.98	
SUTA Payable	448.98	
PTO/Vacation Payable	11,692.31	
Warranty claims	21,500.00	
Total Current Liabilities		533,806.10
Long-Term Liabilities		
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		533,806.10
Capital		
Paid-in Capital - MCLM	763,863.40	
Paid-in Capital	24,000.00	
Retained Earnings	(1,092,176.40)	
Net Income	<u>(86,058.78)</u>	
Total Capital		<u>(390,371.78)</u>
Total Liabilities & Capital		<u>\$ 143,434.32</u>

Unaudited - For Management Purposes Only

Critical RF Inc  
Income Statement  
For the Seven Months Ending July 31, 2011

	Current Month	Year to Date
Revenues	\$	\$
Sales- Site Cast	1,001.00	56,425.50
Sales- SafetyNET	5,996.25	5,996.25
Sales- Software	2,125.50	27,526.25
Sales- Accessories	1,543.00	10,926.54
Sales- Server fees	99.00	791.00
Other Income	0.00	4.00
Shipping Charges Reimbursed	137.85	461.27
Total Revenues	10,902.60	102,130.81
Cost of Sales	2,213.94	19,011.32
Total Cost of Sales	2,213.94	19,011.32
Gross Profit	8,688.66	83,119.49
Expenses		
Advertising Expense	0.00	305.00
Amortization Expense	0.00	9,945.14
Auto Expenses-Fuel	0.00	37.82
Auto Expense-Mileage	269.92	912.92
Bad Debt Expense	109.03	1,021.31
Bank Charges	21.00	424.40
Merchant Bankcard Fees	114.73	493.85
Commissions and Fees Exp	0.00	2,016.00
Contract Labor	2,285.00	10,069.00
Depreciation Exp- Fixed Asset	0.00	188.42
Depreciation Exp- Software Dev	0.00	7,141.34
Dues and Subscriptions Exp	0.00	1,131.04

For Management Purposes Only

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	Current Month	Year to Date
Freight Expense	465.35	3,479.83
Interest Expense	0.00	107.76
Legal Expense	8,288.13	105,507.65
License/Registration Expense	0.00	358.75
Office Expense	0.00	3,034.79
Penalties and Fines Exp	0.00	130.32
Payroll Fees Expense	44.00	419.00
Postage Expense	50.00	50.00
Professional Services Expense	0.00	5,000.00
Supplies Exp-Inventory related	388.10	5,208.89
Telephone Expense- Office	0.00	98.00
Travel Expense-Airfare	489.40	4,653.10
Travel Expense-Lodging	172.89	1,496.57
Travel Expense-Meals	130.07	920.07
Travel Expense-Rental Car	0.00	454.31
Warranty Expense	1,138.00	3,500.00
Web Site Hosting	358.99	1,072.99
Total Expenses	14,324.61	169,178.27
Net Income	(\$ 5,635.95)	(\$ 86,058.78)